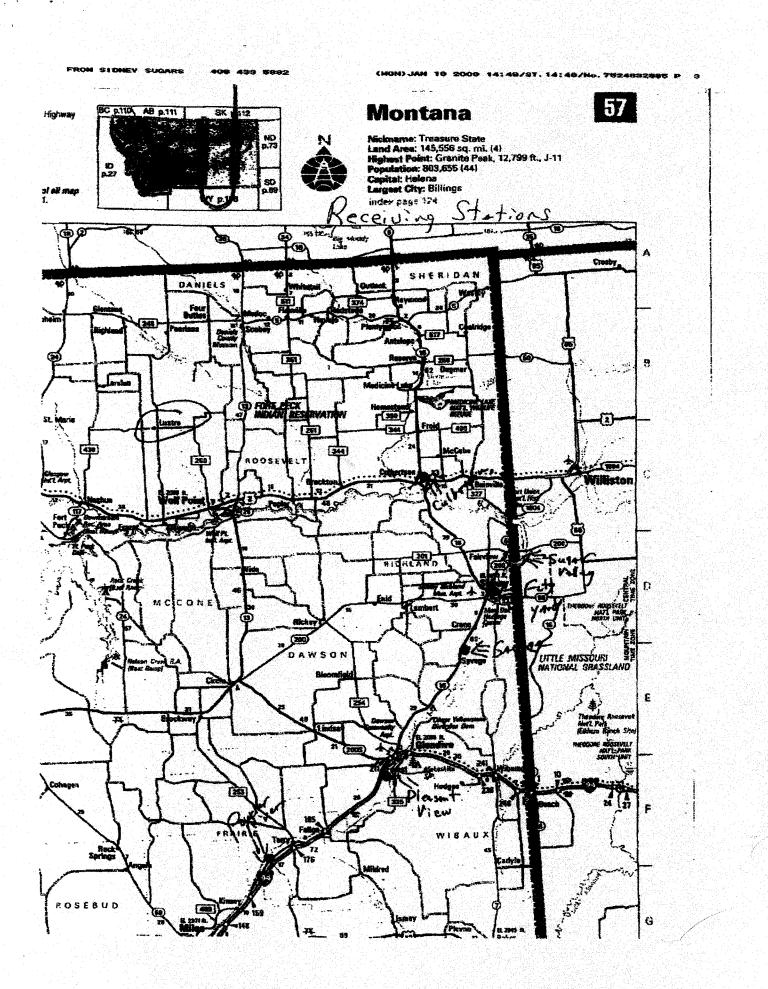
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SENATE HIGHWAYS AND TRANSPORTATION



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Sweetener Impact

MONTANA

CONSUMER BENEFITS:

- Like all Americans, consumers in Montana pay 22 percent less for sugar than consumers in other developed countries*
- Sugar prices have plunged by almost 20 percent during 1996 2004, injuring producers, industrial sugar users and retail grocers have not passed the savings onto consumers.
- Montana consumers rely on a strong beet sugar industry in their state to supply this essential food ingredient.
- TAXPAYER BENEFITS: The U.S. sugar program is designed and intended to operate at no cost to American taxpayer
- JOBS: 3,285 jobs* in Montana are a portion of the 372,228 jobs nationwide that rely on a strong U.S. sweetener industry
- ECONOMIC IMPACT: \$188,500,000 of economic activity is generated in the state of Montana each year by the U.S. sugar and corn sweetener industries*. As part of the national sweetener industry, Montana is one of the 42 states that help create \$21.1 billion in economic activity
- **SUGARBEET INDUSTRY:** More than 350 Montana farmers produce 53,000 acres of sugarbeets. Sugarbeets are processed a two facilities: Billings, owned by Western Sugar Cooperative, and Sidney, owned by Sidney Sugars. Farmers have completed their purchase of Western Sugar in order to maintain their industry.
- **CORN SWEETENER INDUSTRY:** \$300,000 is added to the value of the corn crop for Montana's corn farmers as a result of the corn refining industry*. The added demand for corn benefits each of the 222 farms that raise 18,000 acres of corn in Montana. About 760,000,000 bushels of corn nationwide each year are used for making sweetener. This represents over 8 percent of the U.S. corn crop.
- **EFFICIENT PRODUCERS:** More than 100 countries produce sugar and American producers are among the most efficient. More than half of the world's sugar is produced at a higher cost than in the U.S.
- **A MAJOR IMPORTER:** The U.S. is the fourth largest net importer of sugar in the world. The WTO and NAFTA trade agreement require the U.S. to import sugar from 41 countries, about 15 percent of our market, whether we need the foreign sugar or not.
- **RESPONDING TO PREDATORY FOREIGN TRADE PRACTICES:** Virtually every sugar exporting country dumps its surplus onto the world market at prices below any country's cost of production. Until these unfair foreign trade practices are addressed we must maintain a domestic sugar policy that responds to these predatory practices.

U.S. SWEETENER POLICY BENEFITS AMERICA

* SOURCES: "RETAIL PRICES OF SUGAR AROUND THE WORLD IN 2002," LMC INTERNATIONAL LTD., February 2003.

"THE IMPORTANCE OF THE SUGAR AND CORN SWEETENER INDUSTRY TO THE U.S. ECONOMY," LMC INTERNATIONAL LTD, August 2001

USDA



Story available at http://billingsgazette.net/articles/2006/09/19/news/local/20-beets.txt

Published on Tuesday, September 19, 2006. Last modified on 9/19/2006 at 1:03 am

Beet harvest gears up despite rain

By JIM GRANSBERY Of The Gazette Staff

Despite slowing the early sugar beet harvest, Tony Zitterkopf's only comment on the weekend moisture was, "What a glorious rain."

"Not the best timing for us, but what this will do for the grass and winter wheat and the fires," the agriculture manager for the Western Sugar Cooperative in Billings and Lovell, Wyo., said Monday.

The 2006 harvest began Wednesday and the Billings plant fired up on Friday. Early harvest was scheduled for Lovell on Monday with processing to start Wednesday.

Steady, soft rain over the weekend dropped 1.82 inches of moisture in Billings, 2.67 at Joliet and 2.44 at Red Lodge. The sustained moisture was a timely gift as it will engender grass growth in the burned area, entice winter wheat farmers to plant this fall and knock down the fires that have raged for four weeks.

Zitterkopf said early harvesters should be able to get back in the fields by Wednesday unless more rain arrives. "There is no digging today," he said. "It is way too wet. We need a little sunshine."

The sugar refinery usually begins its annual campaign in mid-September as some farmers agree to dig early and bring their beets to the factory. Regular harvest begins about Oct. 1 with supplies coming to the 100-year-old plant on the south edge of Billings and to area dumps to be shipped later either by truck or rail.

Western Sugar threw a centennial bash this spring with more than 1,000 farmers, workers and families celebrating an agricultural mainstay in the south-central Montana economy.

Western Sugar is located in Montana, Wyoming, Nebraska and Colorado. Companywide, the co-op will harvest about 158,000 acres this year. That's an increase of 20 percent over 2005 for its six factories.

In the Billings area, Zitterkopf said 30,000 acres will come in - 3,000 acres more than a year ago.

At Lovell, the company expects to harvest 20,000 acres this year - an increase of at least 10 percent, Zitterkopf said.

"We had 1.5 inches of rain," he said. "We'll have to play it by ear. Some might try (to dig) Tuesday, but we should be back on track by the end of the week."

Although the summer was hot, irrigated agriculture did well this year. Zitterkopf said the Billings plant expects record tonnage this year.

"We are expecting about 29 tons per acre," he said. "This is an excellent crop." Average yield runs 24 to 25 tons an acre.

"This is why we farm," he said. "The timing works out this year with a good crop and good pricing."

Because of higher demand for sugar nationally, the co-op asked for and got the additional acres planted this year. Each farmer is paid for his tonnage and the sugar content of the beets.

The Billings factory employs 100 people year round and adds another 100 for the refining campaign, which will go into late February before it is completed. The direct economic impact of the factory is about \$50 million a year. The crop yield and campaign length will add to that this year.

Union workers at the factory just approved a new, five-year contract with the Western Sugar Co-op.

The Lovell plant has a direct economic impact of about \$25 million each year.

Contact Jim Gransbery at jgransbery@billingsgazette.com or 657-1288.

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Story available at http://billingsgazette.net/articles/2006/11/11/news/local/25-beets.txt

Published on Saturday, November 11, 2006. Last modified on 11/11/2006 at 12:34 am

A million-dollar loss: Rain, snow, cold hinder sugar beet harvest

By JIM GRANSBERY Of The Gazette Staff

A pall of fog covered the Yellowstone River valley Friday morning, a metaphor for the sugar beet industry that has suffered unusually wet weather and freezing temperatures, damaging a record crop this year.

Thousands of tons of beets are still in the ground, partially frozen in fields so wet and sloppy that heavy equipment cannot enter. The loss could be millions of dollars, although some of it may be covered by crop insurance.

In an effort to quickly process frost-damaged beets that got out of the ground, and before they deteriorate beyond salvage, the refineries in Billings and Lovell, Wyo., are taking frost-hit beets for processing.

"Everything west of Billings is going to Lovell and everything east of Billings is coming here," said Tony Zitterkopf, agriculture manager for the Western Sugar Cooperative. He oversees the crops for both Billings and Lovell.

Heavy rains since mid-September and four nights of temperatures in the teens and single digits have left almost 400,000 tons of beets in jeopardy, Zitterkopf said.

"The prospects get dimmer every day," said Kelly Brester, who farms near Laurel. "There is so little drying weather in November."

Brester had 215 acres in sugar beets this year. He has 95 acres unharvested.

"We got an inch of rain and wet snow yesterday and last night," he said Friday. "I've had 8 inches of rain here" since mid-September, he said. "It's unprecedented. I have water standing in one field like I had been irrigating."

Brester had only six days of harvest in October.

Whether he will get a shot at getting the remaining beets dug, Brester said, "boy, I just don't know."

He said some farmers carry crop insurance, others do not.

Options ranging from 50 percent to 85 percent coverage are available, but the higher levels of coverage are expensive, he said.

"It's tough," Brester said. "We have worked hard and it has cost more to get it out."

Out on the east end of the Billings factory growing area, Greg Lackman, of Hysham, said he and his brother have 300 acres out of 880 remaining to be dug.

Not wasting the down time, Lackman was in Sidney where his daughter was playing Friday in a volleyball tournament.

"I decided to leave the beets and do the important stuff," he said.

It is no doubt that this is the most difficult harvest since he began farming in 1980, he said.

Lackman, president of the Mountain States Beet Growers Association, which represents the farmers, said his fields have been muddy since Sept. 18. At his place, only about 25 acres are frozen, he said.

He carries crop insurance, he said, noting that about half the members of the association carry it. In the Hysham growing area, about 90 percent carry federal crop insurance, which he described as a good program.

Farther down the Yellowstone River in the Sidney area, Kerry Rasmussen, an agronomist with Sidney Sugars, said the crop was 97 percent harvested before being hit by a freeze. The frosted beets were dug and went directly to the factory.

"The harvest ended today," Rasmussen said Friday. "Luckily we were further along."

Sidney Sugars farmers harvested about 38,000 acres of beets, with an average of 24.8 tons per acre, he said.

At Worland, Wyo., the crop got nipped with some frost, said Cal Jones, CEO of Worland Sugar Co.

"We were close enough to being done with harvest that the last ones (frosted beets) are getting into the factory," he said. Worland farmers harvested just fewer than 16,000 acres, he said.

Before harvest, Zitterkopf said, the Billings factory growers were looking at a record yield of 29 tons per acre compared with an average of 24 to 25 tons/acre.

He estimated Thursday that 355,000 tons for the Billings factory remained in the ground, while the Lovell factory had maybe 30,000 to 40,000 tons waiting to be harvested.

"This is a very serious situation," he said. "The beets are frozen and the cold each night drove the frost damage further into the root."

Just like meat from the freezer, "when the beet thaws, you'd better use it," he said.

Beets harvested under normal conditions are placed in large piles strategically located in the

farming areas. The exterior of the piles freeze, keeping the interior cool but not frozen before being processed at the factory by the end of February.

The problem now, Zitterkopf said, is that individual beets are frozen and if they thaw out, will deteriorate to the point where they cannot be processed.

"They cannot be stored very long," he said.

Nighttime temperatures last week went into the teens. On Halloween, it went to 9 degrees.

That was Zitterkopf's fear two weeks ago.

The two factories are "pacing delivery" from farmers so the beets that get out of the ground "don't deteriorate very much before hitting the factory."

These beets are processing well, he said.

Zitterkopf said no beets had been plowed under yet.

Weather forecasts call for daytime temperatures of 54 degrees today, 45 Sunday and 40 Monday. Nighttime temps will range from 29 to 21 degrees.

Snow and cold - 18 degrees at night - are forecast for Tuesday.

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To: Senator Brueggeman and members of the Senate Highway & Transportation Committee

Sugar beets have been raised on the Cole Ranch for at least 70 years. Although the land has been leased, I am quite aware of the problems the sugar beet raisers face when taking their crop to market. Cold, wet harvest seasons complicate the process.

Beet growers also have faced much frustration with the weight limit on their trucks. Raising the weight limit by 10 percent from the current 20 percent would alleviate much of the problem. It seems to me that the Highway Patrol department would save time and money if another 10 percent weight allowance is granted to sugar beet trucks. The producers also would save time, which equals money. Stopping trucks to weigh them is costly for both parties.

In a time when agriculture is being hit hard by the country's economic problems, it seems reasonable for beet producers to be granted this 10 percent leeway. I urge you to pass SB225 out of committee and to support its passage into law.

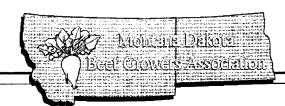
Sincerely,

Mack Cole, former member of Senate Transportation Committee

7 Cole Lane

Forsyth, MT 59327

406-342-5400



January 19, 2009

Senator Taylor Brown:

The Montana-Dakota Sugarbeet Growers Association would like to show their support for Senate Bill 225. The Sugarbeet harvest in the Sidney growing area always has a start up of right around the 1st of October and at that time of the year the temperatures have always cooled down and we feel since our crop is always under pressure to be delivered to the receiving stations in a very timely fashion the increase of the weights that a truck can deliver would be very helpful. Harvest lasts for about 18 to 20 days and we as growers need to be as efficient as ever to deliver this crop before unfavorable weather comes in and we have a chance to lose some acres. With the passage of this bill it could mean that we as growers could get our crop harvested and not lose acres in the field.

We would like to give the Western Sugarbeet Cooperative the right to use our support as they see fit.

Sincerely,

Terry Cayko, President

Montana-Dakota Sugarbeet Growers Association

3592 159th Ave NW

Fairview, MT 59221

406-489-0245

Big Horn County Sugarboot Growers Association

Jan. 20, 2009

Dear Senator Taylor Brown:

Sugarbeets are a very important crop to the farmers of Big Horn County. This crop also has a large economic impact on the community from main street businesses to farm laborers whose jobs depend on it. Every harvest season we have to deal with DOT spot checks with portable scales, thus slowing our harvest.

The increased load limits of your Senate Bill 225 would eliminate this problem. Shorter harvests would be accomplished, thus meaning truck traffic on the roads for a shorter time frame. Also there would be a less chance of crops lost due to freezing in the fields. We are pleased that you are presenting Senate Bill 225 and are proud to show our support.

Sincerely,

Richard Benzel, President

Real Bend

Big Horn County Sugarbeet Growers Association

Route 1 Box 1090 Hardin, Mt 59034

406-679-1186

January 21, 2009

Montana Senate P.O. Box 200500 Helena, MT 59620-0500

To Members of the Senate:

I would ask you to support SB 225. I have been a Federal Crop Insurance Adjuster for the past 17 years. I have worked in the Yellowstone Valley and Big Horn Valley adjusting irrigated crops for the past 10 years. In 2006, I worked the sugar beets that were frozen into the ground. In a best case scenario, the insurance covered 50% of the actual loss. In the worst case scenario the loss was not covered at all. Also in 2007 some of the crops that were planted on the acres when sugar beet were disked under, yields less than average.

The weather patterns seemed to have changed in this area in recent years. We continue to see more moisture in September and October, which is during the sugar beet harvest. If this continues and we get an early October storm along with a late October storm, the beet harvest will get pushed into November. This greatly increases the chance of the sugar beets freezing in. Also the coverage on sugar beets ends on November 15th. Losses occurring after this date are not covered.

The sugar beet industry is vital to our local economy and another loss like 2006 would be devastating. Please support SB 225. The decision you make now could whether or not Montana has a sugar beet industry in the future, and I am afraid if we lose it, we will never get it back.

Sincerely,

Bob Lee

Crop Adjuster

Agro National Insurance Co.

P.O. BOX 47 FORSYTH, MT 59327 406-346-2251 FAX 406-346-7551

ROSEBUD COUNTY COMMISSIONERS

Daniel D. Watson, Member Daniel M. Sloux, Member Robert E. Lee, Member

January 21st, 2009

Montana Senate P.O. Box 200500 Helena, MT 59620-0500

Dear Senate,

We would ask that you support SB 225. The sugar beet industry is an important part of the Rosebud County agricultural economy. The main concern for the sugar beet farmer and for us is if we get an extended wet period in early October there is a good chance that the sugar beet farmers will not get their sugar beets dug. This happened in 2006 and 4,500 acres were lost.

Two out of the past years, the Rosebud County Commissioners have petitioned the governor to increase the weight from 20% to 30% due to weather conditions. This past year the governor approves the petition. We would prefer that this bill be passed so we do not have to ask the governor to change the limit after there is a weather crisis. Once we have a crisis there may not be a chance to get the sugar beets dug if the wet weather continues.

We feel that any damages to the county roads is minimal. Harvesting of the sugar beet crop is very important and we are willing to support our beet farmers and continue maintaining our roads.

We urge you to pass SB 225 and support our agricultural producers.

Respectfully,

Rosebud County Commissioners

Daniel M. Sloux, Chairman

Daniel D. Watson, Member

Robert E. Lee, Member

Beet Growers

Association of Montana

Deal Senator John Brueggeman,

Cha rman of Highways and Transportation Committee and Committee Members;

The Mountain States Sugarbeet Growers Association is writing this letter to ask the committee to support Senate Bill 225.

Sugar beet growers have a narrow window of opportunity to harvest the crop in a condition clean and cool but not rozen to optimize storage conditions so the sugarbeet piles do not deteriorate before processing. The Western Sugar Cooperative is grower owned and storage losses are passed on to the growers. Increasing the weight limits would help growers to complete harvest in a timely and efficient manner. In round figures, the extra 10% would eliminate one out of every eight loads, saving time and fuel.

Hig away maintenance and safety are two issues recognized as a concern. Considering the savings in the number of loads with the fact that road bases are firm that time of year, we feel extra maintenance would be minimal. And with less exposure from fewer loads and newer trucks built to handle larger loads safely, we feel the added safety concerns are negligible.

In this economic environment where efficiencies are so important and conservation of energy must be a top pricrity, supporting SB 225 would not only help the sugarbeet industry in Montana but everybody. Thank you for your consideration of this bill.

Sincerely

Greg Lackman, President

Mountain States Beet Growers Association of Montana

38 Muri Rd, Hysham Mt. 59038

(cc) Highways and Transportation Committee Members

John Brueggeman, Chair

Bruce Tutvedt, Vice Chair

Greg Hinkle, Member

Rick Laible, Member

Ry an Zinke, Member

Jin: Keane, Member

Jesse Laslovich, Member

David E Wanzenried, Member

Jonathan Windy Boy, Member

Tanmy McGill, Legislative Branch Staffer

Libby Goodwin, Secretary

January 21st, 2009

Montana Senate P.O. Box 200500 Helena, MT 59620-0500

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We feel that any damages to the county roads is minimal. Harvesting of the sugar beet crop is very important and we are willing to support our beet farmers and continue maintaining our roads.

We urge you to pass SB 225 and support our agricultural producers.

| Respectfully, Rosebud County Commissioners |
|---|
| Daniel M. Sioux, Chairman |
| Daniel D. Watson, Member |
| Robert E. Lee, Member |

Gina Asay

From: Mandi McDanold [mmcdanold@rosebudcountymt.com]

Sent: Wednesday, January 21, 2009 4:53 PM

To: gbasay@rangeweb.net

Subject: SB 225

Attachments: 1-21-9 SB225 Sugar Beets.doc

Mandi McDanold Administrative Secretary Office of the Commissioners Rosebud County Phone 406.346.2251 Fax 406.346.7551 rcc@rosebudcountymt.com

*This email is not a direct response from the Rosebud County Commissioners, as such, the contents may or may not be verified by the Commissioners.

January 21, 2009

Montana Senate P.O. Box 200500 Helena, MT 59620-0500

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Sincerely,

Bob Lee Crop Adjuster Agro National Insurance Co.

Gina Asay

From:

Mandi McDanold [mmcdanold@rosebudcountymt.com]

Sent:

Wednesday, January 21, 2009 2:34 PM

To:

gbasay@rangeweb.net

Subject:

SB 225

Attachments:

1-21-09 Bob Lee SB 225.doc

Please call Bob Lee if you have any questions.

Thank you,

Mandi McDanold Administrative Secretary Office of the Commissioners Rosebud County Phone 406.346.2251 Fax 406.346.7551 rcc@rosebudcountymt.com

*This email is not a direct response from the Rosebud County Commissioners, as such, the contents may or may not be verified by the Commissioners.